

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Overseas Differentials and Allowances Act, H.R. 5007

1. This memorandum is for the information of the Director of Central Intelligence.

2. On this date, I appeared before the Civil Service Subcommittee, House Post Office and Civil Service Committee, to state the Agency's position with regard to H.R. 5007. H.R. 5007, Overseas Differentials and Allowances Bill, would provide uniform administration throughout the Government for the allowance benefits payable to Federal civilian employees in overseas areas. As the formal presentation favoring the bill was made by the Department of Defense, I used no prepared statement. In brief informal remarks I stated that we desired, whenever possible, to conform our authorities with those incorporated in general Government legislation and, as indicated in the Committee print, appropriate modification of our enabling legislation had been worked out with the kind assistance of the Committee staff. Our position appeared to be well received by the Committee.

4. Questions raised by Committee members and their general attitude during this morning's hearings indicate that the bill will probably be reported favorably by the Subcommittee to the parent Committee.

JOHN S. WARNER  
Legislative Counsel

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1 - Comptroller  
1 - Leg. Counsel

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**MEMORANDUM FOR: Director of Central Intelligence**

**SUBJECT: Overseas Differentials and Allowances Act,  
H. R. 5007**

1. This memorandum contains a recommendation submitted for approval of the Director of Central Intelligence. Such recommendation is contained in paragraph 6.

2. Attached is a copy of H. R. 5007 which to a great extent standardizes allowances, differentials, home leave, and certain other travel expenses for all of Government. The bill would make certain of these types of expenditures similar for all Government departments including the Foreign Service and CIA. The bill amends certain provisions of the Central Intelligence Agency Act of 1949. For information we have also attached section 4 of P. L. 110 as it would be amended by H. R. 5007. The bill is not an Administration bill, and it is not known at this time what position will be taken by the Administration. We have consulted with the Bureau of the Budget on this bill.

3. Since the bill amends P. L. 110, we have been working with staff members of the House Post Office and Civil Service Committee who have given us splendid cooperation in accepting our suggestions so that the technical language will be appropriate as it amends P. L. 110.

4. This bill has been considered by the Office of General Counsel in consultation with the Comptroller's Office and the Office of Personnel. All agree that it is an excellent bill not only Government-wide but for CIA.

5. Substantively, the bill establishes standard Government-wide allowances in the following areas:

- a. quarters allowance;
- b. temporary lodging allowance upon first arrival and prior to departure;
- c. payment of extraordinary expenses incurred in initial repairs and improvements to privately leased residences abroad;
- d. cost-of-living allowances to include (1) post allowance to offset differences between cost of living at the post and cost of living in Washington; (2) transfer allowances; (3) separation allowances; (4) education allowances to include tuition payments and, where necessary, board and room and appropriate transportation; (5) transportation costs in sending dependents to and from a school in the United States to obtain high school or college education; (6) post differential;
- e. cost of packing and storing furniture and household and personal effects when it is determined that it is in the public interest or more economical to authorize storage than to ship to the post;
- f. extends the privilege of shipping a motor vehicle to employees of all other departments of Government and, in addition, contains authority for replacement of a vehicle every four years;
- g. extends the privilege of accruing home leave and transportation for such purposes now available only to the Foreign Service to all agencies of Government.

6. The Subcommittee, headed by James H. Morrison (D., Louisiana) and including Charles O. Porter (D., Oregon), John R. Foley (D., Maryland), Randall S. Harmon (D., Indiana), Joel T. Broyhill (R., Virginia), H. R. Gross (R., Iowa), and Robert R. Barry (R., New York), has requested that a representative from the Agency be present 10 June at 10 a.m. to answer questions with respect to the proposed amendments to F. L. 110. The Bureau of the Budget has been advised of this request. This would be in open session. This matter has been considered by Messrs. Houston and Kirkpatrick, and it is our recommendation

that we accede to their request and as presently planned I propose to represent the Agency at this time. I believe we can respond to their questions without getting into classified information. Based on the above, I recommend that you approve my appearing before this Subcommittee at the time specified.

**JOHN S. WARNER**  
**Legislative Counsel**

**Attachments (2)**

**The recommendation in  
paragraph 6 is approved**

**SIGNED**

**ALLEN W. DULLES**  
**Director**

**10 JUN 1959**

**Date**

**OGC/LC:JSW:mks:jeb**  
**Distribution**  
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**✓1-Comptroller**  
**1-D/Personnel**

86TH CONGRESS  
1ST SESSION

# H. R. 5007

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1959

Mr. MORRISON introduced the following bill; which was referred to the Committee on Post Office and Civil Service

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## A BILL

To improve the administration of overseas activities of the Government of the United States, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That this Act may be cited as the "Overseas Differentials  
4       and Allowances Act".

### 5           TITLE I—PURPOSE AND DEFINITIONS

#### 6                   PART A—PURPOSE

7       SEC. 101. The Congress hereby declares that it is the  
8       purpose of this Act to improve and strengthen the adminis-  
9       tration of overseas activities of the Government by—  
10       (1) providing a means for more effectively com-

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1       pensating Government employees for the extra costs and  
2       hardships incident to their assignments overseas,

3               (2) providing for the uniform treatment of Gov-  
4       ernment employees stationed overseas to the extent  
5       justified by relative conditions of employment,

6               (3) establishing the basis for the more efficient and  
7       equitable administration of the laws compensating Gov-  
8       ernment employees for the extra costs and hardships  
9       incident to their assignments overseas, and

10              (4) facilitating for the Government the recruitment  
11       and retention of the best qualified personnel for civilian  
12       service overseas.

13                                      PART B—DEFINITIONS

14       SEC. 111. As used in this title, title II, and section 523  
15       of title V, the term—

16              (1) "Government" means the Government of the  
17       United States of America;

18              (2) "Government agency" means (A) each executive  
19       department of the Government, (B) each independent estab-  
20       lishment or agency in the executive branch of the Govern-  
21       ment, including each corporation wholly owned (either di-  
22       rectly or through one or more corporations) by the Govern-  
23       ment, and (C) the General Accounting Office;

24              (3) "Employee" means an individual employed in the  
25       civilian service of a Government agency and more specifically

1 defined in regulations prescribed by the President, but in-  
2 cluding ambassadors, ministers, and officers of the Foreign  
3 Service of the United States under the Department of State;

4 (4) "Continental United States" means the several  
5 States of the United States of America, excluding Alaska  
6 but including the District of Columbia; and

7 (5) "Foreign area" means any area situated outside  
8 the continental United States, excluding Alaska, Hawaii,  
9 the Commonwealth of Puerto Rico, the Canal Zone, and the  
10 possessions of the United States but including the Trust  
11 Territory of the Pacific Islands.

12 TITLE II—ALLOWANCES AND DIFFERENTIALS  
13 IN FOREIGN AREAS

14 PART A—SHORT TITLE AND GENERAL PROVISIONS

15 SEC. 201. Notwithstanding section 1765 of the Revised  
16 Statutes (5 U.S.C. 70), the allowances and differentials  
17 provided by this title are authorized for and may be granted  
18 only to an employee stationed in a foreign area—

19 (1) who is a citizen of the United States, and

20 (2) whose rate of basic compensation (A) is fixed  
21 by statute or (B) is fixed administratively in conformity  
22 with rates paid by the Government for work of a com-  
23 parable level of difficulty and responsibility in the conti-  
24 nental United States (without taking into consideration  
25 the allowances and differentials provided by this title),

1 except that such allowances and differentials may be paid to  
2 an employee stationed in a foreign area who is not a citizen  
3 of the United States to the extent that the payment of such  
4 allowances and differentials to such non-citizen employee is  
5 authorized by any provision of law other than this title.

6 SEC. 202. Allowances granted under this title may be  
7 paid in advance, or advance of funds may be made therefor,  
8 through the proper disbursing officer in such sums as may  
9 be deemed advisable in consideration of the need and the  
10 period of time during which expenditures must be made in  
11 advance by the employee or employees. Any advance of  
12 funds not subsequently covered by allowances accrued to  
13 the employee or employees under this title shall be recover-  
14 able by the Government by setoff against accrued salary,  
15 pay, compensation, amount of retirement credit, or other  
16 amount due from the Government to such employee or  
17 employees and by such other method as may be provided by  
18 law for the recovery of amounts owing to the Government.

19 SEC. 203. The allowances and differentials authorized  
20 by this title shall be paid in accordance with regulations  
21 prescribed by the President establishing rules governing pay-  
22 ments thereof and the respective rates at which such pay-  
23 ments shall be made, the foreign areas, the groups of posi-  
24 tions, and the categories of employees to which such rates  
25 shall apply, and other related matters.



1                   PART B—QUARTERS ALLOWANCES

2           SEC. 211. Whenever Government-owned or Govern-  
3 ment-rented quarters are not provided without charge for  
4 an employee in a foreign area, one or more of the following  
5 quarters allowances may be granted to such employee where  
6 applicable:

7           (1) A temporary lodging allowance for the cost of tem-  
8 porary quarters incurred by the employee and his family  
9 (A) for a period not in excess of three months after first  
10 arrival at a new post of assignment in a foreign area or a  
11 period ending with the occupation of residence quarters,  
12 whichever shall be shorter, and (B) for a period of not more  
13 than one month immediately preceding final departure from  
14 the post subsequent to the necessary evacuation of residence  
15 quarters;

16           (2) A living quarters allowance for rent, heat, light,  
17 fuel, gas, electricity, and water, without regard to the limi-  
18 tations of section 3648 of the Revised Statutes, as amended  
19 (31 U.S.C. 529) ; and

20           (3) Under unusual circumstances payment or reim-  
21 bursement for extraordinary, necessary, and reasonable ex-  
22 penses, not otherwise compensated for, incurred in initial re-  
23 pairs, alterations, and improvements to an employee's  
24 privately leased residence at a post of assignment in a foreign  
25 area, if such expenses are administratively approved in ad-

1 vance and if the duration and terms of the lease justify  
2 payment of such expenses by the Government.

3 PART C—COST-OF-LIVING ALLOWANCES

4 SEC. 221. The following cost-of-living allowances may  
5 be granted, where applicable, to an employee in a foreign  
6 area:

7 (1) A post allowance to offset the difference between  
8 the cost of living at the post of assignment of the employee  
9 in a foreign area and the cost of living in Washington, Dis-  
10 trict of Columbia;

11 (2) A transfer allowance for extraordinary, necessary,  
12 and reasonable expenses, not otherwise compensated for,  
13 incurred by an employee incident to establishing himself at  
14 any post of assignment in a foreign area or at a post of  
15 assignment in the continental United States between assign-  
16 ments to posts in foreign areas;

17 (3) A separate maintenance allowance to assist an em-  
18 ployee who is compelled, by reason of dangerous, notably  
19 unhealthful, or excessively adverse living conditions at his  
20 post of assignment in a foreign area or for the convenience  
21 of the Government, to meet the additional expense of main-  
22 taining, elsewhere than at such post, his wife or his de-  
23 pendants, or both;

24 (4) An education allowance or payment of transpor-  
25 tation costs to assist an employee with the extraordinary

1 and necessary expenses, not otherwise compensated for, in-  
2 curred by reason of his service in any foreign area or foreign  
3 areas in providing adequate education for his dependents,  
4 as follows:

5 (A) An allowance not to exceed the cost of obtain-  
6 ing such elementary and secondary educational services as  
7 are ordinarily provided without charge by the public schools  
8 in the continental United States, plus, in those cases where  
9 adequate schools are not available at the employee's post,  
10 board and room, and periodic transportation between such  
11 post and the nearest locality, where adequate schools are  
12 available, without regard to the limitations of section 3648  
13 of the Revised Statutes, as amended (31 U.S.C. 529) ; but  
14 the amount of the allowance granted shall be determined on  
15 the basis of the educational facility used;

16 (B) The cost of transporting dependents of an em-  
17 ployee to and from a school in the United States to obtain  
18 an American secondary or undergraduate college education,  
19 not to exceed one trip each way for each dependent for the  
20 purpose of obtaining each type of education; but no allow-  
21 ance payments under subparagraph (A) of this paragraph  
22 (4) shall be made for any dependent during the twelve  
23 months following his arrival in the United States for sec-  
24 ondary education pursuant to authority contained in this  
25 subparagraph (B). Notwithstanding section 111(5) of

1 this Act, transportation, for the purpose of obtaining under-  
2 graduate college education, may be authorized under this  
3 subparagraph (B), under such regulations as the President  
4 may prescribe, for dependents of employees who are citizens  
5 of the United States stationed in the Canal Zone.

6 PART D—POST DIFFERENTIAL

7 SEC. 231. A post differential may be granted on the  
8 basis of conditions of environment which differ substantially  
9 from conditions of environment in the continental United  
10 States and warrant additional compensation as a recruitment  
11 and retention incentive. Additional compensation paid as a  
12 post differential shall not in any instance exceed 25 per  
13 centum of the rate of basic compensation.

14 TITLE III—MISCELLANEOUS EXPENSES

15 PART A—REPRESENTATION EXPENSES

16 SEC. 301. The Administrative Expenses Act of 1946  
17 (60 Stat. 806), as amended, is amended by adding at the  
18 end thereof the following new section:

19 "SEC. 22. Under such regulations as the President may  
20 prescribe, funds available to the departments for administra-  
21 tive expenses may be allotted to posts in foreign countries  
22 and to resident missions to international organizations for  
23 representation purposes in the promotion of official policies  
24 and programs."

## 1 PART B—STORAGE

2 SEC. 311. (a) Paragraphs (4) and (5) of section 911  
3 of the Foreign Service Act of 1946 (22 U.S.C. 1136 (4)  
4 and (5)) are amended to read as follows:

“ (4) the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Service, when he is absent from his his post of assignment under orders, or when he is assigned to a post to which he cannot take or at which he is unable to use such furniture and household and personal effects, or when it is in the public interest or more economical to authorize storage; but in no instance shall the weight or volume of the effects stored together with the weight or volume of the effects transported exceed the maximum limitations fixed by regulations, when not otherwise fixed by law;

18           “(5) the cost of packing and unpacking, transport-  
19           ing to and from a place of storage, and storing the  
20           furniture and household and personal effects of an officer  
21           or employee of the Service in connection with assign-  
22           ment or transfer to a new post, from the date of his  
23           departure from his last post or from the date of his

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1 departure from his place of residence in the case of a  
2 new officer or employee and for not to exceed three  
3 months after arrival at the new post, or until the  
4 establishment of residence quarters, whichever shall be  
5 shorter; and in connection with separation of an officer  
6 or employee of the Service stationed overseas, the cost  
7 of packing and unpacking, transporting to and from a  
8 place of storage, and storing for a period not to exceed  
9 three months, his furniture and household and personal  
10 effects transported at Government expense."

11 (b) Section 4 (a) (1) (D) and (E) of the Central  
12 Intelligence Agency Act of 1949 (63 Stat. 209, 72 Stat.  
13 337; 50 U.S.C. 403e (a) (1) (D) and (E) ) are amended  
14 to read as follows:

15 "(D) pay the cost of packing and unpacking,  
16 transporting to and from a place of storage, and storing  
17 the furniture and household and personal effects of an  
18 officer or employee of the Agency, when he is absent  
19 from his post of assignment under orders, or when he is  
20 assigned to a post to which he cannot take or at which  
21 he is unable to use such furniture and household and  
22 personal effects, or when it is in the public interest or  
23 more economical to authorize storage; but in no instance  
24 shall the weight or volume of the effects stored together  
25 with the weight or volume of the effects transported

1 exceed the maximum limitations fixed by regulations,  
2 when not otherwise fixed by law;

3 “(E) pay the cost of packing and unpacking, trans-  
4 porting to and from a place of storage, and storing the  
5 furniture and household and personal effects of an officer  
6 or employee of the Agency in connection with assign-  
7 ment or transfer to a new post, from the date of his de-  
8 parture from his last post or from the date of his  
9 departure from his place of residence in the case of a  
10 new officer or employee and for not to exceed three  
11 months after arrival at the new post, or until the es-  
12 tablishment of residence quarters, whichever shall be  
13 shorter; and in connection with separation of an officer  
14 or employee of the Agency stationed overseas, the cost  
15 of packing and unpacking, transporting to and from a  
16 place of storage, and storing for a period not to exceed  
17 three months, his furniture and household and personal  
18 effects transported at Government expense.”

19 (c) The first section of the Administrative Expenses  
20 Act of 1946 (60 Stat. 806), as amended (5 U.S.C. 73b-1),  
21 is amended by adding at the end thereof the following new  
22 subsection:

23 “(e) Whenever any civilian officer or employee (in-  
24 cluding any new appointee in accordance with section 7 of  
25 this Act) is assigned to a permanent duty station outside the

1 continental United States to which he cannot take or at  
2 which he is unable to use his household goods and personal  
3 effects or whenever the head of the department concerned  
4 authorizes storage of any such property in the public interest  
5 or for reasons of economy, storage expenses (including re-  
6 lated transportation and other expenses) may be allowed  
7 such officer or employee in accordance with regulations pre-  
8 scribed by the President; but in no instance shall the weight  
9 of the property stored under this subsection, together with  
10 the weight of property transported under subsection (a), ex-  
11 ceed the maximum weight limitation provided by subsection  
12 (a)."

13 (d) The term "furniture and household and personal  
14 effects", as used in the amendments made by this part to  
15 the Foreign Service Act of 1946, as amended, and the Cen-  
16 tral Intelligence Agency Act of 1949, as amended, and the  
17 term "household goods and personal effects", as used in the  
18 amendments made by this part to the Administrative Ex-  
19 penses Act of 1946, as amended, mean such personal prop-  
20 erty of an employee and the dependents of such employee  
21 as the Secretary of State and the Director of Central Intelli-  
22 gence, as the case may be, with respect to the term "furni-  
23 ture and household and personal effects", and the President,  
24 with respect to the term "household goods and personal  
25 effects", shall by regulation authorize to be transported or



1 stored under the amendments made by this part to such Acts  
2 (including motor vehicles authorized to be shipped at Gov-  
3 ernment expense).

4 PART C—OFFICIAL RESIDENCE EXPENSES

5 SEC. 321. (a) The Administrative Expenses Act of  
6 1946 (60 Stat. 806), as amended, is amended by adding  
7 thereto, immediately following the new section 22 added to  
8 such Act by section 301 of this Act, the following new  
9 section:

10 "SEC. 23. Under such regulations as the President may  
11 prescribe, funds available to the departments for admin-  
12 istrative expenses may be allotted to posts in foreign coun-  
13 tries for the purpose of defraying the unusual expenses inci-  
14 dent to the operation and maintenance of official residences  
15 suitable for the chief representatives of the United States at  
16 such posts and such other senior officials of this Government  
17 in foreign countries as the President may designate."

18 (b) Section 8 of the United Nations Participation Act  
19 of 1945, as amended (22 U.S.C. 287e), is amended by  
20 striking out "and the allotment of funds, similar to the  
21 allotment authorized by section 902 of the Foreign Service  
22 Act of 1946, for unusual expenses incident to the operation  
23 and maintenance of such living quarters, to be accounted for  
24 in accordance with section 903 of said Act; and such other

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1 expenses as may be authorized by the Secretary of State;  
2 all without regard to section 3709 of the Revised Statutes,  
3 as amended (41 U.S.C. 5)" and inserting in lieu thereof  
4 "and unusual expenses similar to those authorized by sec-  
5 tion 23 of the Administrative Expenses Act of 1946, as  
6 amended by section 321 of the Overseas Differentials and  
7 Allowances Act, incident to the operation and maintenance  
8 of such living quarters, and such other expenses as may be  
9 authorized by the Secretary of State; all without regard to  
10 section 3709 of the Revised Statutes, as amended (41  
11 U.S.C. 5)".

12       PART D—TRANSPORTATION OF MOTOR VEHICLES

13       SEC. 331. The first section of the Administrative Ex-  
14 penses Act of 1946 (60 Stat. 806), as amended (5 U.S.C.  
15 73b-1), is amended by adding thereto, immediately follow-  
16 ing the new subsection (e) added to such first section by  
17 section 311(c) of this Act, the following new subsection:

18       “(f) Under such regulations as the President may pre-  
19 scribe, the privately owned motor vehicle of any employee  
20 (including any new appointee, in accordance with section  
21 7 of this Act) assigned to a post of duty outside the conti-  
22 nental United States on other than temporary duty orders  
23 may be transported to, from, and between the continental  
24 United States and such post of duty, or between posts of  
25 duty outside the continental United States, whenever it is

1 determined by the head of the department concerned to be  
2 in the interest of the Government for such employee to have  
3 the use of a motor vehicle at his post of duty. Not more  
4 than one motor vehicle of any employee may be transported  
5 under authority of this subsection during any four-year pe-  
6 riod, except that, as a replacement for such motor vehicle,  
7 one additional motor vehicle of any employee may be  
8 so transported during such period upon approval, in  
9 advance, by the head of the department concerned and  
10 upon a determination, in advance, by such department head  
11 that such replacement is necessary for reasons beyond the  
12 control of the employee and is in the interest of the Gov-  
13 ernment. After the expiration of four years following the  
14 date of transportation under authority of this subsection of  
15 a privately owned motor vehicle of any employee who has  
16 remained in continuous service outside the continental United  
17 States, the transportation of a replacement for such motor  
18 vehicle for such employee may be authorized, in accordance  
19 with this subsection, by the head of the department con-  
20 cerned. The head of each department may, in accordance  
21 with this subsection, authorize the transportation of privately  
22 owned motor vehicles of employees of such department, as-  
23 signed to duty outside the continental United States, by  
24 commercial means if available at reasonable rates and under  
25 reasonable conditions or by Government means on a space-

1 available basis. This subsection shall not apply to the For-  
2 eign Service of the United States under the Department of  
3 State and to the Central Intelligence Agency but shall not  
4 affect the authority contained in section 913 of the For-  
5 eign Service Act of 1946 (60 Stat. 1027; 22 U.S.C. 1138)  
6 or section 4 (a) (4) of the Central Intelligence Agency  
7 Act of 1949 (63 Stat. 210, 72 Stat. 337; 50 U.S.C. 403e  
8 (a) (4) ).”

9 SEC. 332. Section 913 of the Foreign Service Act of  
10 1946 (60 Stat. 1027; 22 U.S.C. 1138) is amended to  
11 read as follows:

12 “TRANSPORTATION OF MOTOR VEHICLES

13 “SEC. 913. The Secretary may, notwithstanding the  
14 provisions of any other law, transport for or on behalf of an  
15 officer or employee of the Service, a privately owned motor  
16 vehicle, or replacement thereof, in any case in which he  
17 shall determine that water, rail, or air transportation of  
18 the motor vehicle, or replacement thereof, is necessary or  
19 expedient for all or any part of the distance between points  
20 of origin and destination.”

21 SEC. 333. Section 4 (a) (4) of the Central Intelligence  
22 Agency Act of 1949, as amended (63 Stat. 210, 72 Stat.  
23 337; 50 U.S.C. 403e (a) (4) ), is amended to read as  
24 follows:

25 “(4) Notwithstanding the provisions of any other

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1 law, transport for or on behalf of an officer or employee  
2 of the Agency, a privately owned motor vehicle, or  
3 replacement thereof, in any case in which it shall be  
4 determined that water, rail, or air transportation of the  
5 motor vehicle, or replacement thereof, is necessary or  
6 expedient for all or any part of the distance between  
7 points of origin and destination, and pay the costs of  
8 such transportation."

9 TITLE IV—AMENDMENTS TO ANNUAL AND SICK  
10 LEAVE ACT OF 1951

11 SEC. 401. Subsections (d), (e), and (f) of section 203  
12 of the Annual and Sick Leave Act of 1951, as amended  
13 (5 U.S.C. 2062 (d), (e), and (f)), are amended to  
14 read as follows:

15 "(d) Notwithstanding the provisions of subsection (c),  
16 a maximum accumulation not to exceed forty-five days at  
17 the beginning of the first complete biweekly pay period, or  
18 corresponding pay period in the case of an officer or employee  
19 who is not paid on the basis of biweekly pay periods, in  
20 any year is authorized for the following categories of em-  
21 ployees of the Federal Government stationed outside the  
22 continental United States:

23 "(1) Persons directly recruited or transferred by the  
24 Federal Government (A) from the continental United  
25 States, or (B) from Hawaii, the Commonwealth of

1 Puerto Rico, or the possessions of the United States for  
2 employment outside the area of recruitment or from which  
3 transferred.

4 “(2) Persons employed locally but (A) (i) who were  
5 originally recruited from the continental United States, or  
6 from Hawaii, the Commonwealth of Puerto Rico, or  
7 the possessions of the United States but outside the area of  
8 employment, (ii) who have been in substantially continuous  
9 employment by other Federal agencies, United States firms,  
10 interests or organizations, international organizations in which  
11 the United States Government participates, or foreign gov-  
12 ernments, and (iii) whose conditions of employment provide  
13 for their return transportation to the continental United  
14 States or Hawaii, the Commonwealth of Puerto Rico, or  
15 the possessions of the United States, or (B) (i) who were  
16 at the time of employment temporarily absent, for the pur-  
17 pose of travel or formal study, from the continental United  
18 States, or from their respective places of residence in Hawaii,  
19 the Commonwealth of Puerto Rico, or the possessions of  
20 the United States and (ii) who, during such temporary  
21 absence, have maintained residence in the continental United  
22 States or in Hawaii, the Commonwealth of Puerto Rico, or  
23 the possessions of the United States but outside the area of  
24 employment.

25 “(3) Persons who are not normally residents of the

1 area concerned and who are discharged from service in the  
2 Armed Forces of the United States to accept employment  
3 with an agency of the Federal Government.

4 “(e) The leave granted pursuant to this title shall be  
5 exclusive of the time actually and necessarily occupied in  
6 going to and from the post of duty and exclusive of such  
7 time as may be necessarily occupied in awaiting transporta-  
8 tion, in the case of an officer or employee (1) who is within  
9 the purview of subsection (d) of this section, (2) whose  
10 post of duty is outside the continental United States, and (3)  
11 who returns on leave to the continental United States, or  
12 to his place of residence, which is outside the area of em-  
13 ployment, in Hawaii, the Commonwealth of Puerto Rico,  
14 or the possessions of the United States. The provisions of  
15 this subsection shall not apply to more than one period of  
16 leave in a prescribed tour of duty at a post outside the  
17 continental United States.

18 “(f) Upon completion of twenty-four months of con-  
19 tinuous service outside the continental United States, officers  
20 and employees may be granted, in accordance with regula-  
21 tions of the President, leave of absence at a rate not to exceed  
22 one week for each four months of such service without re-  
23 gard to any other leave provided by this title, for use in the  
24 continental United States, or, if their respective places of  
25 residence are outside the area of employment, in Hawaii,

1 the Commonwealth of Puerto Rico, or the possessions of  
2 the United States. Such leave so granted may be accumu-  
3 lated for future use without regard to the limitation in sub-  
4 section (d) of this section but no such leave shall be made  
5 the basis for any terminal leave or for any lump-sum pay-  
6 ment."

7 SEC. 402. (a) Section 202 (b) (2) of the Annual and  
8 Sick Leave Act of 1951, as amended (5 U.S.C. 2061 (b)  
9 (2) ), is amended to read as follows:

10 "(2) This title, except section 203 (g), shall not apply  
11 to alien employees who occupy positions outside the con-  
12 tinental United States."

13 (b) Section 202 (c) (2) of such Act, as amended  
14 (5 U.S.C. 2061 (c) (2) ), is amended to read as follows:

15 "(2) The President, in his discretion, may authorize  
16 leaves of absence to persons who are exempted from this  
17 title pursuant to subsection (c) (1) (B) for use in the con-  
18 tinental United States and in Hawaii, the Commonwealth  
19 of Puerto Rico, and the possessions of the United States.  
20 Leaves of absence authorized under this paragraph shall not  
21 constitute a leave system and no such leave of absence shall  
22 be made the basis for any lump-sum payment."



1 (c) Section 202 of such Act, as amended (5 U.S.C.  
2 2061), is amended by adding at the end of such section  
3 the following new subsection:

4 “(d) As used in this title, the term ‘continental United  
5 States’ means the several States of the United States of  
6 America (including Alaska) and the District of Columbia.”

7 SEC. 403. The amendments made by this title to the  
8 Annual and Sick Leave Act of 1951, as amended, shall take  
9 effect on the first day of the first pay period following the  
10 date of enactment of this Act.

11 TITLE V—APPROPRIATION, REPEAL, AND  
12 MISCELLANEOUS PROVISIONS

13 PART A—APPROPRIATION PROVISIONS

14 SEC. 501. (a) There are hereby authorized to be ap-  
15 propriated such sums as may be necessary to carry out the  
16 purposes of this Act and the amendments made thereby.

17 (b) Appropriations or funds otherwise available, for  
18 the fiscal year ending June 30, 1960, to any department,  
19 agency, establishment or corporation of the Government of  
20 the United States of America within the purview of this  
21 Act or of any amendment made thereby are hereby made  
22 available for the purposes of this Act and of any such

1 amendment in accordance with the authority contained in  
2 this Act or contained in any law amended by this Act and  
3 in accordance with such regulations as the President may  
4 prescribe.

5 PART B—REPEAL PROVISIONS

6 SEC. 511. (a) The following provisions of law are  
7 repealed:

8 (1) That part of the Act entitled "An Act to provide  
9 living quarters, including heat, fuel, and light, for civilian  
10 officers and employees of the Government stationed in  
11 foreign countries", approved June 26, 1930 (46 Stat. 818;  
12 Public Law 445, Seventy-first Congress; 5 U.S.C. 118a),  
13 which reads "and, where such quarters are not available, may  
14 be granted an allowance for living quarters, including heat,  
15 fuel, and light, notwithstanding the provisions of section  
16 1765 of the Revised Statutes (U.S.C., title 5, sec. 70)";

17 (2) That part of the first proviso of such Act of June  
18 26, 1930, which reads "or allowances in lieu thereof"; and

19 (3) Sections 443, 901, 902, 903, and 911 (9) of the  
20 Foreign Service Act of 1946, as amended (60 Stat. 1006,  
21 1025, and 1026; 69 Stat. 27; 22 U.S.C. 888, 1131, 1132,  
22 1133, and 1136 (9) ); and

23 (4) Sections 2 (b), 13, and 14 of the Act entitled "An  
24 Act to provide certain basic authority for the Department  
25 of State", approved August 1, 1956 (70 Stat. 890, 892;

1 Public Law 885, Eighty-fourth Congress; 5 U.S.C. 170g (b),  
2 170r, and 170s).

3 (b) Any provision of law which is not repealed by sub-  
4 section (a) of this section but is inconsistent with any pro-  
5 vision of this Act or of any amendment made thereby shall  
6 be held and considered to be amended, modified, or super-  
7 seded to the extent necessary to carry out the purposes of  
8 and conform to such provision of this Act or of such amend-  
9 ment.

10 PART C—MISCELLANEOUS PROVISIONS

11 SEC. 521. The repeal, modification, amendment, or  
12 superseding, by reason of section 511 of this Act, of any  
13 provision of law shall not affect any act done or right ac-  
14 ruing or accrued, any liability, or any action, suit, or pro-  
15 ceeding had or commenced in any civil cause, before such  
16 repeal, modification, amendment, or superseding; but all  
17 such rights and liabilities, under any provision of law so  
18 repealed, modified, amended, or superseded, shall continue  
19 and may be enforced in the same manner as if such repeal,  
20 modification, amendment, or superseding had not occurred.

21 SEC. 522. Whenever reference is made in any other law  
22 or in any regulation to any provision of law which is re-  
23 pealed, modified, amended, or superseded by reason of sec-  
24 tion 511 of this Act, such reference, unless inconsistent  
25 with this Act, shall be held and considered to refer to this

1 Act or the appropriate provision of, or amendment made by,  
2 this Act.

3 SEC. 523. Notwithstanding any provision of this Act  
4 and until such time as regulations are issued under this Act,  
5 employees shall continue to be paid allowances and differen-  
6 tials in accordance with rules and regulations issued pursuant  
7 to the laws in effect immediately prior to the enactment of  
8 this Act and such rules and regulations may be amended or  
9 revoked in accordance with the provisions of such laws.

10 SEC. 524. Section 912 of the Internal Revenue Code  
11 of 1954 (relating to exemption for certain allowances) is  
12 amended to read as follows:

13 **"SEC. 912. EXEMPTIONS FOR CERTAIN ALLOWANCES.**

14 "The following items shall not be included in gross in-  
15 come, and shall be exempt from taxation under this subtitle:

16 "(1) **FOREIGN AREAS ALLOWANCE.**—In the case  
17 of civilian officers and employees of the United States  
18 Government, amounts received as allowances or other-  
19 wise (but not amounts received as differentials) under  
20 the provisions of titles II and III of the Overseas Dif-  
21 ferentials and Allowances Act or title IX of the Foreign  
22 Service Act of 1946, as amended.

23 "(2) **COST-OF-LIVING ALLOWANCES.**—In the case  
24 of civilian officers or employees of the Government of  
25 the United States stationed outside continental United

25

1 States, amounts (other than amounts received under the  
2 provisions of titles II and III of the Overseas Differen-  
3 tials and Allowances Act or title IX of the Foreign  
4 Service Act of 1946, as amended) received as cost-of-  
5 living allowances in accordance with regulations ap-  
6 proved by the President."



**BILLS JB-1**  
**[COMMITTEE PRINT]**

JUNE 5, 1959

STATINTL

86TH CONGRESS  
1ST SESSION

**Union Calendar No.**

**H. R. 5007**

**[Report No.     ]**

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**IN THE HOUSE OF REPRESENTATIVES**

FEBRUARY 25, 1959

Mr. MORRISON introduced the following bill; which was referred to the Committee on Post Office and Civil Service

JUNE     , 1959

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

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**A BILL**

To improve the administration of overseas activities of the Government of the United States, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*  
That this Act may be cited as the "Overseas Differentials and Allowances Act".

**TITLE I—PURPOSE AND DEFINITIONS**

**PART A—PURPOSE**

SEC. 101. The Congress hereby declares that it is the purpose of this Act to improve and strengthen the administration of overseas activities of the Government by—

(1) providing a means for more effectively com-

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compensating Government employees for the extra costs and hardships incident to their assignments overseas,

(2) providing for the uniform treatment of Government employees stationed overseas to the extent justified by relative conditions of employment,

(3) establishing the basis for the more efficient and equitable administration of the laws compensating Government employees for the extra costs and hardships incident to their assignments overseas, and

(4) facilitating for the Government the recruitment and retention of the best qualified personnel for civilian service overseas,

### PART B—DEFINITIONS

SEC. 111. As used in this title, title II, and section 523 of title V, the term—

(1) "Government" means the Government of the United States of America;

(2) "Government agency" means (A) each executive department of the Government, (B) each independent establishment or agency in the executive branch of the Government, including each corporation wholly owned (either directly or through one or more corporations) by the Government, and (C) the General Accounting Office;

(3) "Employee" means an individual employed in the civilian service of a Government agency and more specifically

## BILLS JB-3

defined in regulations prescribed by the President, but including ambassadors, ministers, and officers of the Foreign Service of the United States under the Department of State;

(4) *"United States", when used in a geographical sense, means the several States of the United States of America and the District of Columbia;*

~~(4)~~ (5) *"Continental United States" means the several States of the United States of America, excluding Alaska and Hawaii but including the District of Columbia; and*

~~(5)~~ *"Foreign area" means any area situated outside the continental United States, excluding Alaska, Hawaii, the Commonwealth of Puerto Rico, the Canal Zone, and the possessions of the United States but including the Trust Territory of the Pacific Islands.*

(6) *"Foreign area" means any area (including the Trust Territory of the Pacific Islands) situated outside the United States, the Commonwealth of Puerto Rico, the Canal Zone, and the possessions of the United States.*

## TITLE II—ALLOWANCES AND DIFFERENTIALS IN FOREIGN AREAS

### ~~PART A—SHORT TITLE AND GENERAL PROVISIONS~~

#### *PART A—GENERAL PROVISIONS*

SEC. 201. Notwithstanding section 1765 of the Revised Statutes (5 U.S.C. 70), the allowances and differentials provided by this title are authorized for and may be granted only to ~~an employee stationed in a foreign area—~~ *an employee officially stationed in (or, in the case of post differential pro-*



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vided for in section 231, an employee on *extended detail to*  
a foreign area—

(1) who is a citizen of the United States, and

(2) whose rate of basic compensation (A) is fixed  
by statutes ~~or (B)~~, (B) is fixed by administrative action  
pursuant to law, or (C) is fixed administratively in  
conformity with rates paid by the Government for work  
of a comparable level of difficulty and responsibility in  
the continental United States (without taking into con-  
sideration the allowances and differentials provided by  
this title),

except that such allowances and differentials may be paid to  
an employee *officially* stationed in a foreign area who is not  
a citizen of the United States to the extent that the payment  
of such allowances and differentials to such noncitizen em-  
ployee is authorized by any provision of law other than this  
title.

SEC. 202. Allowances granted under this title may be  
paid in advance, or advance of funds may be made therefor,  
through the proper disbursing officer in such sums as may  
be deemed advisable in consideration of the need and the  
period of time during which expenditures must be made in  
advance by the employee or employees. Any advance of  
funds not subsequently covered by allowances accrued to  
the employee or employees under this title shall be recover-  
able by the Government by setoff against accrued salary,

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pay, compensation, amount of retirement credit, or other amount due from the Government to such employee or employees and by such other method as may be provided by law for the recovery of amounts owing to the Government.

SEC. 203. The allowances and differentials authorized by this title shall be paid in accordance with regulations prescribed by the President establishing rules governing payments thereof and the respective rates at which such payments shall be made, the foreign areas, the groups of positions, and the categories of employees to which such rates shall apply, and other related matters.

### PART B—QUARTERS ALLOWANCES

SEC. 211. Whenever Government-owned or Government-rented quarters are not provided without charge for an employee in a foreign area, one or more of the following quarters allowances may be granted to such employee where applicable:

(1) A temporary lodging allowance for the *reasonable* cost of temporary quarters incurred by the employee and his family (A) for a period not in excess of three months after first arrival at a new post of assignment in a foreign area or a period ending with the occupation of residence quarters, whichever shall be shorter, and (B) for a period of not more than one month immediately preceding final departure from the post subsequent to the necessary evacuation of residence quarters;

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(2) A living quarters allowance for rent, heat, light, fuel, gas, electricity, and water, without regard to the limitations of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529) ; and

(3) Under unusual circumstances payment or reimbursement for extraordinary, necessary, and reasonable expenses, not otherwise compensated for, incurred in initial repairs, alterations, and improvements to an employee's privately leased residence at a post of assignment in a foreign area, if such expenses are administratively approved in advance and if the duration and terms of the lease justify payment of such expenses by the Government.

### PART C—COST-OF-LIVING ALLOWANCES

SEC. 221. The following cost-of-living allowances may be granted, where applicable, to an employee in a foreign area:

(1) A post allowance to offset the difference between the cost of living at the post of assignment of the employee in a foreign area and the cost of living in Washington, District of Columbia;

(2) A transfer allowance for extraordinary, necessary, and reasonable expenses, not otherwise compensated for, incurred by an employee incident to establishing himself at any post of assignment in a foreign area or at a post of assignment in the ~~continental~~ United States between assignments to posts in foreign areas;

(3) A separate maintenance allowance to assist an em-

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ployee who is compelled, by reason of dangerous, notably unhealthful, or excessively adverse living conditions at his post of assignment in a foreign area or for the convenience of the Government, to meet the additional expense of maintaining, elsewhere than at such post, his wife or his dependents, or both;

(4) An education allowance or payment of transportation costs to assist an employee with the extraordinary and necessary expenses, not otherwise compensated for, incurred by reason of his service in any foreign area or foreign areas in providing adequate education for his dependents, as follows:

(A) An allowance not to exceed the cost of obtaining such elementary and secondary educational services as are ordinary provided without charge by the public schools in the ~~continental~~ United States, plus, in those cases where adequate schools are not available at the employee's post, board and room, and periodic transportation between such post and the nearest locality, where adequate schools are available, without regard to the limitations of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); but the amount of the allowance granted shall be determined on the basis of the educational facility used;

(B) The cost of transporting dependents of an employee to and from a school in the United States to obtain an American secondary or undergraduate college education, not to exceed one trip each way for each dependent for the

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purpose of obtaining each type of education; but no allowance payments under subparagraph (A) of this paragraph (4) shall be made for any dependent during the twelve months following his arrival in the United States for secondary education pursuant to authority contained in this subparagraph (B). Notwithstanding section ~~111(5)~~ 111(6) of this Act, transportation, for the purpose of obtaining undergraduate college education, may be authorized under this subparagraph (B), under such regulations as the President may prescribe, for dependents of employees who are citizens of the United States stationed in the Canal Zone.

### PART D—POST DIFFERENTIAL

SEC. 231. A post differential may be granted on the basis of conditions of environment which differ substantially from conditions of environment in the continental United States and warrant additional compensation as a recruitment and retention incentive. Additional compensation paid as a post differential shall not in any instance exceed 25 per centum of the rate of basic compensation.

## TITLE III—MISCELLANEOUS EXPENSES

### PART A—REPRESENTATION EXPENSES

SEC. 301. The Administrative Expenses Act of 1946 (60 Stat. 806), as amended, is amended by adding at the end thereof the following new section:

“SEC. 22. Under such regulations as the President may prescribe, funds available to the departments for administra-

## BILLS JB-9

tive expenses may be allotted to posts in foreign countries and to resident missions to international organizations for representation purposes in the promotion of official policies and programs."

### PART B—STORAGE

SEC. 311. (a) Paragraphs (4) and (5) of section 911 of the Foreign Service Act of 1946 (22 U.S.C. 1136 (4) and (5)) are amended to read as follows:

"(4) the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Service, when he is absent from his post of assignment under orders, or when he is assigned to a post to which he cannot take or at which he is unable to use such furniture and household and personal effects, or when it is in the public interest or more economical to authorize storage; but in no instance shall the weight or volume of the effects stored together with the weight or volume of the effects transported exceed the maximum limitations fixed by regulations, when not otherwise fixed by law;

"(5) the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Service in connection with assignment or transfer to a new post, from the date of his departure from his last post or from the date of his

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departure from his place of residence in the case of a new officer or employee and for not to exceed three months after arrival at the new post, or until the establishment of residence quarters, whichever shall be shorter; and in connection with separation of an officer or employee of the Service stationed overseas, the cost of packing and unpacking, transporting to and from a place of storage, and storing for a period not to exceed three months, his furniture and household and personal effects transported at Government expense."

(b) ~~Section~~ Sections 4(a) (1) (D) and (E) of the Central Intelligence Agency Act of 1949 (63 Stat. 209, 72 Stat. 337; 50 U.S.C. 403e (a) (1) (D) and (E)) are amended to read as follows:

"(D) pay the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Agency, when he is absent from his post of assignment under orders, or when he is assigned to a post to which he cannot take or at which he is unable to use such furniture and household and personal effects, or when it is in the public interest or more economical to authorize storage; but in no instance shall the weight or volume of the effects stored together with the weight or volume of the effects transported

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exceed the maximum limitations fixed by regulations, when not otherwise fixed by law;

“(E) pay the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Agency in connection with assignment or transfer to a new post, from the date of his departure from his last post or from the date of his departure from his place of residence in the case of a new officer or employee and for not to exceed three months after arrival at the new post, or until the establishment of residence quarters, whichever shall be shorter; and in connection with separation of an officer or employee of the Agency stationed overseas, the cost of packing and unpacking, transporting to and from a place of storage, and storing for a period not to exceed three months, his furniture and household and personal effects transported at Government expense.” *expense; but in no instance shall the weight or volume of the effects stored together with the weight or volume of the effects transported exceed the maximum limitations fixed by regulations, when not otherwise fixed by law.”*

~~(e)~~ The first section of the Administrative Expenses Act of 1946 (60 Stat. 806), as amended (5 U.S.C. 73b-1), is amended by adding at the end thereof the following new subsection:



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(c) *The first section of the Administrative Expenses Act of 1946 (60 Stat. 806), as amended (5 U.S.C. 73b-1), is amended—*

(1) *by striking out “(not to exceed seven thousand pounds if uncrated or eight thousand seven hundred and fifty pounds if crated or the equivalent thereof when transportation charges are based on cubic measurement)” in subsection (a) of such section and inserting in lieu thereof “(not to exceed seven thousand pounds net weight)”;* and

(2) *by adding at the end of such section the following new subsection:*

“(e) Whenever any civilian officer or employee (including any new appointee in accordance with section 7 of this Act) is assigned to a permanent duty station outside the continental United States to which he cannot take or at which he is unable to use his household goods and personal effects or whenever the head of the department concerned authorizes storage of any such property in the public interest or for reasons of economy, storage expenses (including related transportation and other expenses) may be allowed such officer or employee in accordance with regulations prescribed by the President; but in no instance shall the weight of the property stored under this subsection, together with the weight of property transported under subsection (a), exceed the maximum weight limitation provided by subsection (a).”

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(d) The term "furniture and household and personal effects", as used in the amendments made by this part to the Foreign Service Act of 1946, as amended, and the Central Intelligence Agency Act of 1949, as amended, and the term "household goods and personal effects", as used in the amendments made by this part to the Administrative Expenses Act of 1946, as amended, mean such personal property of an employee and the dependents of such employee as the Secretary of State and the Director of Central Intelligence, as the case may be, with respect to the term "furniture and household and personal effects", and the President, with respect to the term "household goods and personal effects", shall by regulation authorize to be transported or stored under the amendments made by this part to such Acts (including, *in emergencies*, motor vehicles authorized to be shipped at Government expense). *Such motor vehicles shall be excluded from the weight and volume limitations prescribed by the laws set forth in this part.*

### PART C—OFFICIAL RESIDENCE EXPENSES

SEC. 321. (a) The Administrative Expenses Act of 1946 (60 Stat. 806), as amended, is amended by adding thereto, immediately following the new section 22 added to such Act by section 301 of this Act, the following new section:

"SEC. 23. Under such regulations as the President may prescribe, funds available to the departments for administrative expenses may be allotted to posts in foreign coun-

## BILLS JB-14

tries for the purpose of defraying the unusual expenses incident to the operation and maintenance of official residences suitable for the chief representatives of the United States at such posts and such other senior officials of this Government in foreign countries as the President may designate."

(b) Section 8 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287e), is amended by striking out "and the allotment of funds, similar to the allotment authorized by section 902 of the Foreign Service Act of 1946, for unusual expenses incident to the operation and maintenance of such living quarters, to be accounted for in accordance with section 903 of said Act; and such other expenses as may be authorized by the Secretary of State; all without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5)" and inserting in lieu thereof "and unusual expenses similar to those authorized by section 23 of the Administrative Expenses Act of 1946, as amended by section 321 of the Overseas Differentials and Allowances Act, incident to the operation and maintenance of such living quarters, and such other expenses as may be authorized by the Secretary of State; all without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5)".

### PART D—TRANSPORTATION OF MOTOR VEHICLES

SEC. 331. The first section of the Administrative Expenses Act of 1946 (60 Stat. 806), as amended (5 U.S.C.

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73b-1), is amended by adding thereto, immediately following the new subsection (e) added to such first section by section 311 (c) of this Act, the following new subsection:

“(f) Under such regulations as the President may prescribe, the privately owned motor vehicle of any employee (including any new appointee, in accordance with section 7 of this Act) assigned to a post of duty outside the continental United States on other than temporary duty orders may be transported to, from, and between the continental United States and such post of duty, or between posts of duty outside the continental United States, whenever it is determined by the head of the department concerned to be in the interest of the Government for such employee to have the use of a motor vehicle at his post of duty. Not more than one motor vehicle of any employee may be transported under authority of this subsection during any four-year period, except that, as a replacement for such motor vehicle, one additional motor vehicle of any employee may be so transported during such period upon approval, in advance, by the head of the department concerned and upon a determination, in advance, by such department head that such replacement is necessary for reasons beyond the control of the employee and is in the interest of the Government. After the expiration of *a period of* four years following the date of transportation under authority of this subsection of a privately owned motor vehicle of any employee who has remained in continuous service outside the continental United

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States *during such period*, the transportation of a replacement for such motor vehicle for such employee may be authorized, in accordance with this subsection, by the head of the department concerned. The head of each department may, in accordance with this subsection, authorize the transportation of privately owned motor vehicles of employees of such department, assigned to duty outside the continental United States, by commercial means if available at reasonable rates and under reasonable conditions or by Government means on a space-available basis. This subsection shall not apply to the Foreign Service of the United States under the Department of State and to the Central Intelligence Agency but shall not affect the authority contained in section 913 of the Foreign Service Act of 1946 (60 Stat. 1027; 22 U.S.C. 1138) or section 4 (a) (4) of the Central Intelligence Agency Act of 1949 (63 Stat. 210, 72 Stat. 337; 50 U.S.C. 403e (a) (4))."

SEC. 332. Section 913 of the Foreign Service Act of 1946 (60 Stat. 1027; 22 U.S.C. 1138) is amended to read as follows:

### "TRANSPORTATION OF MOTOR VEHICLES

"SEC. 913. The Secretary may, notwithstanding the provisions of any other law, transport for or on behalf of an officer or employee of the Service, a privately owned motor vehicle, or replacement thereof, in vehicle in any case in which he shall determine that water, rail, or air transporta-

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tion of the motor vehicle, or replacement thereof, is vehicle is necessary or expedient for all or any part of the distance between points of origin and destination." destination. Not more than one motor vehicle of any such officer or employee may be transported under authority of this section during any four-year period, except that, as a replacement for such motor vehicle, one additional motor vehicle of any such officer or employee may be so transported during such period upon approval, in advance, by the Secretary and upon a determination, in advance, by the Secretary that such replacement is necessary for reasons beyond the control of the officer or employee and is in the interest of the Government. After the expiration of a period of four years following the date of transportation under authority of this section of a privately owned motor vehicle of any officer or employee who has remained in continuous service outside the continental United States during such period, the transportation of a replacement for such motor vehicle for such officer or employee may be authorized by the Secretary in accordance with this section."

SEC. 333. Section 4 (a) (4) of the Central Intelligence Agency Act of 1949, as amended (63 Stat. 210, 72 Stat. 337; 50 U.S.C. 403e (a) (4) ), is amended to read as follows:

"(4) Notwithstanding the provisions of any other law, transport for or on behalf of an officer or employee of the Agency, a privately owned motor vehicle, or replacement thereof, in vehicle in any case in which it

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shall be determined that water, rail, or air transportation of the motor vehicle, or replacement thereof is *vehicle is* necessary or expedient for all or any part of the distance between points of origin and destination, and pay the costs of such ~~transportation.~~ *transportation. Not more than one motor vehicle of any officer or employee of the Agency may be transported under authority of this paragraph during any four-year period, except that, as a replacement for such motor vehicle, one additional motor vehicle of any such officer or employee may be so transported during such period upon approval, in advance, by the Director and upon a determination, in advance, by the Director that such replacement is necessary for reasons beyond the control of the officer or employee and is in the interest of the Government. After the expiration of a period of four years following the date of transportation under authority of this paragraph of a privately owned motor vehicle of any officer or employee who has remained in continuous service outside the continental United States during such period, the transportation of a replacement for such motor vehicle for such officer or employee may be authorized by the Director in accordance with this paragraph."*

**TITLE IV—AMENDMENTS TO ANNUAL AND SICK  
LEAVE ACT OF 1951**

SEC. 401. Subsections (d), (e), and (f) of section 203 of the Annual and Sick Leave Act of 1951, as amended

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(5 U.S.C. 2062 (d), (e), and (f) ), are amended to read as follows:

“(d) Notwithstanding the provisions of subsection (c), a maximum accumulation not to exceed forty-five days at the beginning of the first complete biweekly pay period, or corresponding pay period in the case of an officer or employee who is not paid on the basis of biweekly pay periods, in any year is authorized for the following categories of employees of the Federal Government stationed outside the ~~continental~~ United States:

“(1) Persons directly recruited or transferred by the Federal Government (A) from the ~~continental~~ United States, or (B) from ~~Hawaii, the Commonwealth of Puerto Rico, or the Commonwealth of Puerto Rico or the~~ possessions of the United States for employment outside the area of recruitment or from which transferred.

“(2) Persons employed locally but (A) (i) who were originally recruited from the ~~continental~~ United States, or from ~~Hawaii, the Commonwealth of Puerto Rico, or the Commonwealth of Puerto Rico or the~~ possessions of the United States but outside the area of employment, (ii) who have been in substantially continuous employment by other Federal agencies, United States firms, interests or organizations, international organizations in which the United States Government participates, or foreign governments, and (iii) whose conditions of employment provide for their return transportation to the ~~continental~~ United States or ~~Hawaii,~~



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the Commonwealth of Puerto Rico, or the Commonwealth of Puerto Rico or the possessions of the United States, or (B) (i) who were at the time of employment temporarily absent, for the purpose of travel or formal study, from the continental United States, or from their respective places of residence in Hawaii, the Commonwealth of Puerto Rico, or the Commonwealth of Puerto Rico or the possessions of the United States and (ii) who, during such temporary absence, have maintained residence in the continental United States or in Hawaii, the Commonwealth of Puerto Rico, or the Commonwealth of Puerto Rico or the possessions of the United States but outside the area of employment.

“(3) Persons who are not normally residents of the area concerned and who are discharged from service in the Armed Forces of the United States to accept employment with an agency of the Federal Government.

“(e) The leave granted pursuant to this title shall be exclusive of the time actually and necessarily occupied in going to and from the post of duty and exclusive of such time as may be necessarily occupied in awaiting transportation, in the case of an officer or employee (1) who is within the purview of subsection (d) of this section, (2) whose post of duty is outside the continental United States, and (3) who returns on leave to the continental United States, or to his place of residence, which is outside the area of employment, in Hawaii, the Commonwealth of Puerto Rico,

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~~of the Commonwealth of Puerto Rico or~~ the possessions of the United States. The provisions of this subsection shall not apply to more than one period of leave in a prescribed tour of duty at a post outside the ~~continental~~ United States.

“(f) Upon completion of twenty-four months of continuous service outside the ~~continental~~ United States, officers and employees may be granted, in accordance with regulations of the President, leave of absence at a rate not to exceed one week for each four months of such service without regard to any other leave provided by this title, for use in the ~~continental~~ United States, or, if their respective places of residence are outside the area of employment, in ~~Hawaii,~~ ~~the Commonwealth of Puerto Rico,~~ ~~or the Commonwealth of Puerto Rico or~~ the possessions of the United States. Such leave so granted may be accumulated for future use without regard to the limitation in subsection (d) of this section but no such leave shall be made the basis for any terminal leave or for any lump-sum payment.”

SEC. 402. (a) Section 202 (b) (2) of the Annual and Sick Leave Act of 1951, as amended (5 U.S.C. 2061 (b) (2) ), is amended to read as follows:

“(2) This title, except section 203 (g), shall not apply to alien employees who occupy positions outside the ~~continental~~ United States.”

~~(b) Section 202 (c) (2) of such Act, as amended (5 U.S.C. 2061 (c) (2)), is amended to read as follows:~~

~~“(2) The President, in his discretion, may authorize~~

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leaves of absence to persons who are exempted from this title pursuant to subsection (c) (1) (B) for use in the continental United States and in Hawaii, the Commonwealth of Puerto Rico, and the possessions of the United States. Leaves of absence authorized under this paragraph shall not constitute a leave system and no such leave of absence shall be made the basis for any lump-sum payment."

(c) Section 202 of such Act, as amended (5 U.S.C. 2061), is amended by adding at the end of such section the following new subsection:

"(d) As used in this title, the term 'continental United States' means term 'United States' means the several States of the United States of America, ~~(including Alaska)~~ and the District of Columbia."

SEC. 403. The amendments made by this title to the Annual and Sick Leave Act of 1951, as amended, shall take effect on the first day of the first pay period following the date of enactment of this Act.

### TITLE V—APPROPRIATION, REPEAL, AND MISCELLANEOUS PROVISIONS

#### PART A—APPROPRIATIONS PROVISIONS

SEC. 501. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act and the amendments made thereby.

(b) Appropriations or funds otherwise available, for the fiscal year ending June 30, 1960, to any department,

## BILLS JB-23

agency, establishment or corporation of the Government of the United States of America within the purview of this Act or of any amendment made thereby are hereby made available for the purposes of this Act and of any such amendment in accordance with the authority contained in this Act or contained in any law amended by this Act and in accordance with such regulations as the President may prescribe.

### PART B—REPEAL PROVISIONS

SEC. 511. (a) The following provisions of law are repealed:

(1) That part of the Act entitled "An Act to provide living quarters, including heat, fuel, and light, for civilian officers and employees of the Government stationed in foreign countries", approved June 26, 1930 (46 Stat. 818; Public Law 445, Seventy-first Congress; 5 U.S.C. 118a), which reads "and, where such quarters are not available, may be granted an allowance for living quarters, including heat, fuel, and light, notwithstanding the provisions of section 1765 of the Revised Statutes (U.S.C., title 5, sec. 70)";

(2) That part of the first proviso of such Act of June 26, 1930, which reads "or allowances in lieu thereof"; and

(3) Sections 443, 901, 902, 903, and 911 (9) of the Foreign Service Act of 1946, as amended (60 Stat. 1006, 1025, and 1026; 69 Stat. 27; 22 U.S.C. 888, 1131, 1132, 1133, and 1136 (9) ); and

(4) Sections 2 (b), 13, and 14 of the Act entitled "An

## BILLS JB-24

Act to provide certain basic authority for the Department of State", approved August 1, 1956 (70 Stat. 890, 892: Public Law 885, Eighty-fourth Congress; 5 U.S.C. 170g (b), 170r, and ~~170s~~; 170s); and

(5) Sections 4(a)(3)(A), 4(a)(3)(B), 4(a)(3)(C) and 4(b) of the Central Intelligence Agency Act of 1949, as amended (63 Stat. 210; 72 Stat. 337; 50 U.S.C. 403e(a)(3)(C), and 403e(b)).

(A), (B), and (b) (b) Any provision of law which is not repealed by subsection (a) of this section but is inconsistent with any provision of this Act or of any amendment made thereby shall be held and considered to be amended, modified, or superseded to the extent necessary to carry out the purposes of and conform to such provision of this Act or of such amendment.

### PART C—MISCELLANEOUS PROVISIONS

SEC. 521. The repeal, modification, amendment, or superseding, by reason of section 511 of this Act, of any provision of law shall not affect any act done or right accruing or accrued, any liability, or any action, suit, or proceeding had or commenced in any civil cause, before such repeal, modification, amendment, or superseding; but all such rights and liabilities, under any provision of law so repealed, modified, amended, or superseded, shall continue and may be enforced in the same manner as if such repeal, modification, amendment, or superseding had not occurred.

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SEC. ~~522~~ 521. Whenever reference is made in any other law or in any regulation to any provision of law which is repealed, modified, amended, or superseded by reason of section 511 of this Act, such reference, unless inconsistent with this Act, shall be held and considered to refer to this Act or the appropriate provision of, or amendment made by, this Act.

SEC. ~~523~~ 522. Notwithstanding any provision of this Act and until such time as regulations are issued under this Act, employees shall continue to be paid allowances and differentials in accordance with rules and regulations issued pursuant to the laws in effect immediately prior to the enactment of this Act and such rules and regulations may be amended or revoked in accordance with the provisions of such laws.

SEC. ~~524~~ 523. (a) Section 912 of the Internal Revenue Code of 1954 (relating to exemption for certain allowances) is amended to read as follows:

**"SEC. 912. EXEMPTIONS FOR CERTAIN ALLOWANCES.**

"The following items shall not be included in gross income, and shall be exempt from taxation under this subtitle:

"(1) FOREIGN AREAS ALLOWANCE.—In the case of civilian officers and employees of the United States Government, amounts received as allowances or otherwise (but not amounts received as differentials) under the provisions of titles II and III of the Overseas Differentials and Allowances Act or Act, title IX of the Foreign Service Act of 1946, as amended, amended, or

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*section 4 of the Central Intelligence Agency Act of 1949, as amended.*

“(2) **COST-OF-LIVING ALLOWANCES.**—In the case of civilian officers or employees of the Government of the United States stationed outside continental United States, amounts (other than amounts received under the provisions of title II and III of the Overseas Differentials and Allowances Act or title IX of the Foreign Service Act of 1946, as amended) received as cost-of-living allowances in accordance with regulations approved by the ~~President.~~” *President.*

“(3) **EXPENSES OF TRAVEL AND TRANSPORTATION.**—*In the case of civilian officers and employees of the United States Government, amounts received as expenses of travel and transportation, or costs of transportation provided in lieu thereof, from posts of duty outside the continental United States, to and from their respective places of residence, authorized by section 7 of the Administrative Expenses Act of 1946 (60 Stat. 806), as amended (5 U.S.C. 73b-3).*”

*(b) Section 912(3) of the Internal Revenue Code of 1954, as contained in the amendment made by subsection (a) of this section, shall apply only with respect to taxable years beginning after December 31, 1958, and ending after the date of enactment of this Act.*

STATINTL

86TH CONGRESS  
1ST SESSION

# H. R. 5007

## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1959

Mr. MORRISON introduced the following bill; which was referred to the Committee on Post Office and Civil Service

## A BILL

To improve the administration of overseas activities of the Government of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That this Act may be cited as the "Overseas Differentials  
4 and Allowances Act".

### 5 TITLE I—PURPOSE AND DEFINITIONS

#### 6 PART A—PURPOSE

7 SEC. 101. The Congress hereby declares that it is the  
8 purpose of this Act to improve and strengthen the adminis-  
9 tration of overseas activities of the Government by—  
10 (1) providing a means for more effectively com-

I



1       pensating Government employees for the extra costs and  
2       hardships incident to their assignments overseas,

3           (2) providing for the uniform treatment of Gov-  
4       ernment employees stationed overseas to the extent  
5       justified by relative conditions of employment,

6           (3) establishing the basis for the more efficient and  
7       equitable administration of the laws compensating Gov-  
8       ernment employees for the extra costs and hardships  
9       incident to their assignments overseas, and

10          (4) facilitating for the Government the recruitment  
11       and retention of the best qualified personnel for civilian  
12       service overseas.

13                               PART B—DEFINITIONS

14       SEC. 111. As used in this title, title II, and section 523  
15       of title V, the term—

16          (1) "Government" means the Government of the  
17       United States of America;

18          (2) "Government agency" means (A) each executive  
19       department of the Government, (B) each independent estab-  
20       lishment or agency in the executive branch of the Govern-  
21       ment, including each corporation wholly owned (either di-  
22       rectly or through one or more corporations) by the Govern-  
23       ment, and (C) the General Accounting Office;

24          (3) "Employee" means an individual employed in the  
25       civilian service of a Government agency and more specifically

1 defined in regulations prescribed by the President, but in-  
2 cluding ambassadors, ministers, and officers of the Foreign  
3 Service of the United States under the Department of State;

4 (4) "Continental United States" means the several  
5 States of the United States of America, excluding Alaska  
6 but including the District of Columbia; and

7 (5) "Foreign area" means any area situated outside  
8 the continental United States, excluding Alaska, Hawaii,  
9 the Commonwealth of Puerto Rico, the Canal Zone, and the  
10 possessions of the United States but including the Trust  
11 Territory of the Pacific Islands.

12 TITLE II—ALLOWANCES AND DIFFERENTIALS  
13 IN FOREIGN AREAS

14 PART A—SHORT TITLE AND GENERAL PROVISIONS

15 SEC. 201. Notwithstanding section 1765 of the Revised  
16 Statutes (5 U.S.C. 70), the allowances and differentials  
17 provided by this title are authorized for and may be granted  
18 only to an employee stationed in a foreign area—

19 (1) who is a citizen of the United States, and

20 (2) whose rate of basic compensation (A) is fixed

21 by statute or (B) is fixed administratively in conformity )  
22 with rates paid by the Government for work of a com-  
23 parable level of difficulty and responsibility in the conti-  
24 nental United States (without taking into consideration  
25 the allowances and differentials provided by this title),

1 except that such allowances and differentials may be paid to  
2 an employee stationed in a foreign area who is not a citizen  
3 of the United States to the extent that the payment of such  
4 allowances and differentials to such non-citizen employee is  
5 authorized by any provision of law other than this title.

6 SEC. 202. Allowances granted under this title may be  
7 paid in advance, or advance of funds may be made therefor,  
8 through the proper disbursing officer in such sums as may  
9 be deemed advisable in consideration of the need and the  
10 period of time during which expenditures must be made in  
11 advance by the employee or employees. Any advance of  
12 funds not subsequently covered by allowances accrued to  
13 the employee or employees under this title shall be recover-  
14 able by the Government by setoff against accrued salary,  
15 pay, compensation, amount of retirement credit, or other  
16 amount due from the Government to such employee or  
17 employees and by such other method as may be provided by  
18 law for the recovery of amounts owing to the Government.

19 SEC. 203. The allowances and differentials authorized  
20 by this title shall be paid in accordance with regulations  
21 prescribed by the President establishing rules governing pay-  
22 ments thereof and the respective rates at which such pay-  
23 ments shall be made, the foreign areas, the groups of posi-  
24 tions, and the categories of employees to which such rates  
25 shall apply, and other related matters.

## PART B—QUARTERS ALLOWANCES

1  
2 SEC. 211. Whenever Government-owned or Govern-  
3 ment-rented quarters are not provided without charge for  
4 an employee in a foreign area, one or more of the following  
5 quarters allowances may be granted to such employee where  
6 applicable:

7 (1) A temporary lodging allowance for the cost of tem-  
8 porary quarters incurred by the employee and his family  
9 (A) for a period not in excess of three months after first  
10 arrival at a new post of assignment in a foreign area or a  
11 period ending with the occupation of residence quarters,  
12 whichever shall be shorter, and (B) for a period of not more  
13 than one month immediately preceding final departure from  
14 the post subsequent to the necessary evacuation of residence  
15 quarters;

16 (2) A living quarters allowance for rent, heat, light,  
17 fuel, gas, electricity, and water, without regard to the limi-  
18 tations of section 3648 of the Revised Statutes, as amended  
19 (31 U.S.C. 529) ; and

20 (3) Under unusual circumstances payment or reim-  
21 bursement for extraordinary, necessary, and reasonable ex-  
22 penses, not otherwise compensated for, incurred in initial re-  
23 pairs, alterations, and improvements to an employee's  
24 privately leased residence at a post of assignment in a foreign  
25 area, if such expenses are administratively approved in ad-

1 vance and if the duration and terms of the lease justify  
2 payment of such expenses by the Government.

3 PART C—COST-OF-LIVING ALLOWANCES

4 SEC. 221. The following cost-of-living allowances may  
5 be granted, where applicable, to an employee in a foreign  
6 area:

7 (1) A post allowance to offset the difference between  
8 the cost of living at the post of assignment of the employee  
9 in a foreign area and the cost of living in Washington, Dis-  
10 trict of Columbia;

11 (2) A transfer allowance for extraordinary, necessary,  
12 and reasonable expenses, not otherwise compensated for,  
13 incurred by an employee incident to establishing himself at  
14 any post of assignment in a foreign area or at a post of  
15 assignment in the continental United States between assign-  
16 ments to posts in foreign areas;

17 (3) A separate maintenance allowance to assist an em-  
18 ployee who is compelled, by reason of dangerous, notably  
19 unhealthful, or excessively adverse living conditions at his  
20 post of assignment in a foreign area or for the convenience  
21 of the Government, to meet the additional expense of main-  
22 taining, elsewhere than at such post, his wife or his de-  
23 pendants, or both;

24 (4) An education allowance or payment of transpor-  
25 tation costs to assist an employee with the extraordinary

1 and necessary expenses, not otherwise compensated for, in-  
2 curred by reason of his service in any foreign area or foreign  
3 areas in providing adequate education for his dependents,  
4 as follows:

5 (A) An allowance not to exceed the cost of obtain-  
6 ing such elementary and secondary educational services as  
7 are ordinarily provided without charge by the public schools  
8 in the continental United States, plus, in those cases where  
9 adequate schools are not available at the employee's post,  
10 board and room, and periodic transportation between such  
11 post and the nearest locality, where adequate schools are  
12 available, without regard to the limitations of section 3648  
13 of the Revised Statutes, as amended (31 U.S.C. 529) ; but  
14 the amount of the allowance granted shall be determined on  
15 the basis of the educational facility used ;

16 (B) The cost of transporting dependents of an em-  
17 ployee to and from a school in the United States to obtain  
18 an American secondary or undergraduate college education,  
19 not to exceed one trip each way for each dependent for the  
20 purpose of obtaining each type of education ; but no allow-  
21 ance payments under subparagraph (A) of this paragraph  
22 (4) shall be made for any dependent during the twelve  
23 months following his arrival in the United States for sec-  
24 ondary education pursuant to authority contained in this  
25 subparagraph (B). Notwithstanding section 111(5) of

1 this Act, transportation, for the purpose of obtaining under-  
2 graduate college education, may be authorized under this  
3 subparagraph (B), under such regulations as the President  
4 may prescribe, for dependents of employees who are citizens  
5 of the United States stationed in the Canal Zone.

6 PART D—POST DIFFERENTIAL

7 SEC. 231. A post differential may be granted on the  
8 basis of conditions of environment which differ substantially  
9 from conditions of environment in the continental United  
10 States and warrant additional compensation as a recruitment  
11 and retention incentive. Additional compensation paid as a  
12 post differential shall not in any instance exceed 25 per  
13 centum of the rate of basic compensation.

14 TITLE III—MISCELLANEOUS EXPENSES

15 PART A—REPRESENTATION EXPENSES

16 SEC. 301. The Administrative Expenses Act of 1946  
17 (60 Stat. 806), as amended, is amended by adding at the  
18 end thereof the following new section:

19 "SEC. 22. Under such regulations as the President may  
20 prescribe, funds available to the departments for administra-  
21 tive expenses may be allotted to posts in foreign countries  
22 and to resident missions to international organizations for  
23 representation purposes in the promotion of official policies  
24 and programs."

## 1 PART B—STORAGE

2 SEC. 311. (a) Paragraphs (4) and (5) of section 911  
3 of the Foreign Service Act of 1946 (22 U.S.C. 1136 (4)  
4 and (5) ) are amended to read as follows:

5 “(4) the cost of packing and unpacking, transport-  
6 ing to and from a place of storage, and storing the  
7 furniture and household and personal effects of an officer  
8 or employee of the Service, when he is absent from his  
9 his post of assignment under orders, or when he is as-  
10 signed to a post to which he cannot take or at which  
11 he is unable to use such furniture and household and  
12 personal effects, or when it is in the public interest or  
13 more economical to authorize storage; but in no instance  
14 shall the weight or volume of the effects stored together  
15 with the weight or volume of the effects transported  
16 exceed the maximum limitations fixed by regulations,  
17 when not otherwise fixed by law;

18 “(5) the cost of packing and unpacking, transport-  
19 ing to and from a place of storage, and storing the  
20 furniture and household and personal effects of an officer  
21 or employee of the Service in connection with assign-  
22 ment or transfer to a new post, from the date of his  
23 departure from his last post or from the date of his

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1 departure from his place of residence in the case of a  
2 new officer or employee and for not to exceed three  
3 months after arrival at the new post, or until the  
4 establishment of residence quarters, whichever shall be  
5 shorter; and in connection with separation of an officer  
6 or employee of the Service stationed overseas, the cost  
7 of packing and unpacking, transporting to and from a  
8 place of storage, and storing for a period not to exceed  
9 three months, his furniture and household and personal  
10 effects transported at Government expense."

11 (b) Section 4 (a) (1) (D) and (E) of the Central  
12 Intelligence Agency Act of 1949 (63 Stat. 209, 72 Stat.  
13 337; 50 U.S.C. 403e (a) (1) (D) and (E) ) are amended  
14 to read as follows:

15 " (D) pay the cost of packing and unpacking,  
16 transporting to and from a place of storage, and storing  
17 the furniture and household and personal effects of an  
18 officer or employee of the Agency, when he is absent  
19 from his post of assignment under orders, or when he is  
20 assigned to a post to which he cannot take or at which  
21 he is unable to use such furniture and household and  
22 personal effects, or when it is in the public interest or  
23 more economical to authorize storage; but in no instance  
24 shall the weight or volume of the effects stored together  
25 with the weight or volume of the effects transported

1 exceed the maximum limitations fixed by regulations,  
2 when not otherwise fixed by law; )

3 “(E) pay the cost of packing and unpacking, trans-  
4 porting to and from a place of storage, and storing the  
5 furniture and household and personal effects of an officer  
6 or employee of the Agency in connection with assign-  
7 ment or transfer to a new post, from the date of his de-  
8 parture from his last post or from the date of his  
9 departure from his place of residence in the case of a  
10 new officer or employee and for not to exceed three  
11 months after arrival at the new post, or until the es-  
12 tablishment of residence quarters, whichever shall be  
13 shorter; and in connection with separation of an officer  
14 or employee of the Agency stationed overseas, the cost  
15 of packing and unpacking, transporting to and from a  
16 place of storage, and storing for a period not to exceed  
17 three months, his furniture and household and personal  
18 effects transported at Government expense.”

19 (c) The first section of the Administrative Expenses  
20 Act of 1946 (60 Stat. 806), as amended (5 U.S.C. 73b-1),  
21 is amended by adding at the end thereof the following new  
22 subsection:

23 “(e) Whenever any civilian officer or employee (in-  
24 cluding any new appointee in accordance with section 7 of  
25 this Act) is assigned to a permanent duty station outside the

1 continental United States to which he cannot take or at  
2 which he is unable to use his household goods and personal  
3 effects or whenever the head of the department concerned  
4 authorizes storage of any such property in the public interest  
5 or for reasons of economy, storage expenses (including re-  
6 lated transportation and other expenses) may be allowed  
7 such officer or employee in accordance with regulations pre-  
8 scribed by the President; but in no instance shall the weight  
9 of the property stored under this subsection, together with  
10 the weight of property transported under subsection (a), ex-  
11 ceed the maximum weight limitation provided by subsection  
12 (a)."

13 (d) The term "furniture and household and personal  
14 effects", as used in the amendments made by this part to  
15 the Foreign Service Act of 1946, as amended, and the Cen-  
16 tral Intelligence Agency Act of 1949, as amended, and the  
17 term "household goods and personal effects", as used in the  
18 amendments made by this part to the Administrative Ex-  
19 penses Act of 1946, as amended, mean such personal prop-  
20 erty of an employee and the dependents of such employee  
21 as the Secretary of State and the Director of Central Intelli-  
22 gence, as the case may be, with respect to the term "furni-  
23 ture and household and personal effects", and the President,  
24 with respect to the term "household goods and personal  
25 effects", shall by regulation authorize to be transported or

1 stored under the amendments made by this part to such Acts  
2 (including motor vehicles authorized to be shipped at Gov-  
3 ernment expense).

4 PART C—OFFICIAL RESIDENCE EXPENSES

5 SEC. 321. (a) The Administrative Expenses Act of  
6 1946 (60 Stat. 806), as amended, is amended by adding  
7 thereto, immediately following the new section 22 added to  
8 such Act by section 301 of this Act, the following new  
9 section:

10 "SEC. 23. Under such regulations as the President may  
11 prescribe, funds available to the departments for admin-  
12 istrative expenses may be allotted to posts in foreign coun-  
13 tries for the purpose of defraying the unusual expenses inci-  
14 dent to the operation and maintenance of official residences  
15 suitable for the chief representatives of the United States at  
16 such posts and such other senior officials of this Government  
17 in foreign countries as the President may designate."

18 (b) Section 8 of the United Nations Participation Act  
19 of 1945, as amended (22 U.S.C. 287e), is amended by  
20 striking out "and the allotment of funds, similar to the  
21 allotment authorized by section 902 of the Foreign Service  
22 Act of 1946, for unusual expenses incident to the operation  
23 and maintenance of such living quarters, to be accounted for  
24 in accordance with section 903 of said Act; and such other

1 expenses as may be authorized by the Secretary of State;  
2 all without regard to section 3709 of the Revised Statutes,  
3 as amended (41 U.S.C. 5)" and inserting in lieu thereof  
4 "and unusual expenses similar to those authorized by sec-  
5 tion 23 of the Administrative Expenses Act of 1946, as  
6 amended by section 321 of the Overseas Differentials and  
7 Allowances Act, incident to the operation and maintenance  
8 of such living quarters, and such other expenses as may be  
9 authorized by the Secretary of State; all without regard to  
10 section 3709 of the Revised Statutes, as amended (41  
11 U.S.C. 5)".

12 PART D—TRANSPORTATION OF MOTOR VEHICLES

13 SEC. 331. The first section of the Administrative Ex-  
14 penses Act of 1946 (60 Stat. 806), as amended (5 U.S.C.  
15 73b-1), is amended by adding thereto, immediately follow-  
16 ing the new subsection (e) added to such first section by  
17 section 311(c) of this Act, the following new subsection:

18 "(f) Under such regulations as the President may pre-  
19 scribe, the privately owned motor vehicle of any employee  
20 (including any new appointee, in accordance with section  
21 7 of this Act) assigned to a post of duty outside the conti-  
22 nental United States on other than temporary duty orders  
23 may be transported to, from, and between the continental  
24 United States and such post of duty, or between posts of  
25 duty outside the continental United States, whenever it is

15

1 determined by the head of the department concerned to be  
2 in the interest of the Government for such employee to have  
3 the use of a motor vehicle at his post of duty. Not more  
4 than one motor vehicle of any employee may be transported  
5 under authority of this subsection during any four-year pe-  
6 riod, except that, as a replacement for such motor vehicle,  
7 one additional motor vehicle of any employee may be  
8 so transported during such period upon approval, in  
9 advance, by the head of the department concerned and  
10 upon a determination, in advance, by such department head  
11 that such replacement is necessary for reasons beyond the  
12 control of the employee and is in the interest of the Gov-  
13 ernment. After the expiration of four years following the  
14 date of transportation under authority of this subsection of  
15 a privately owned motor vehicle of any employee who has  
16 remained in continuous service outside the continental United  
17 States, the transportation of a replacement for such motor  
18 vehicle for such employee may be authorized, in accordance  
19 with this subsection, by the head of the department con-  
20 cerned. The head of each department may, in accordance  
21 with this subsection, authorize the transportation of privately  
22 owned motor vehicles of employees of such department, as-  
23 signed to duty outside the continental United States, by  
24 commercial means if available at reasonable rates and under  
25 reasonable conditions or by Government means on a space-

1 available basis. This subsection shall not apply to the For-  
2 eign Service of the United States under the Department of  
3 State and to the Central Intelligence Agency but shall not  
4 affect the authority contained in section 913 of the For-  
5 eign Service Act of 1946 (60 Stat. 1027; 22 U.S.C. 1138)  
6 or section 4(a) (4) of the Central Intelligence Agency  
7 Act of 1949 (63 Stat. 210, 72 Stat. 337; 50 U.S.C. 403e  
8 (a) (4)).”

9 SEC. 332. Section 913 of the Foreign Service Act of  
10 1946 (60 Stat. 1027; 22 U.S.C. 1138) is amended to  
11 read as follows:

12 “TRANSPORTATION OF MOTOR VEHICLES

13 “SEC. 913. The Secretary may, notwithstanding the  
14 provisions of any other law, transport for or on behalf of an  
15 officer or employee of the Service, a privately owned motor  
16 vehicle, or replacement thereof, in any case in which he  
17 shall determine that water, rail, or air transportation of  
18 the motor vehicle, or replacement thereof, is necessary or  
19 expedient for all or any part of the distance between points  
20 of origin and destination.”

21 SEC. 333. Section 4(a) (4) of the Central Intelligence  
22 Agency Act of 1949, as amended (63 Stat. 210, 72 Stat.  
23 337; 50 U.S.C. 403e(a) (4)), is amended to read as  
24 follows:

25 “(4) Notwithstanding the provisions of any other

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1 law, transport for or on behalf of an officer or employee  
2 of the Agency, a privately owned motor vehicle,(or  
3 replacement thereof,)in any case in which it shall be  
4 determined that water, rail, or air transportation of the  
5 motor vehicle,(or replacement thereof.)is necessary or  
6 expedient for all or any part of the distance between  
7 points of origin and destination, and pay the costs of  
8 such transportation.”

9 TITLE IV—AMENDMENTS TO ANNUAL AND SICK  
10 LEAVE ACT OF 1951

11 SEC. 401. Subsections (d), (e), and (f) of section 203  
12 of the Annual and Sick Leave Act of 1951, as amended  
13 (5 U.S.C. 2062 (d), (e), and (f)), are amended to  
14 read as follows:

15 “(d) Notwithstanding the provisions of subsection (c),  
16 a maximum accumulation not to exceed forty-five days at  
17 the beginning of the first complete biweekly pay period, or  
18 corresponding pay period in the case of an officer or employee  
19 who is not paid on the basis of biweekly pay periods, in  
20 any year is authorized for the following categories of em-  
21 ployees of the Federal Government stationed outside the  
22 continental United States:

23 “(1) Persons directly recruited or transferred by the  
24 Federal Government (A) from the continental United  
25 States, or (B) from Hawaii, the Commonwealth of



1 Puerto Rico, or the possessions of the United States for  
2 employment outside the area of recruitment or from which  
3 transferred.

4 “(2) Persons employed locally but (A) (i) who were  
5 originally recruited from the continental United States, or  
6 from Hawaii, the Commonwealth of Puerto Rico, or  
7 the possessions of the United States but outside the area of  
8 employment, (ii) who have been in substantially continuous  
9 employment by other Federal agencies, United States firms,  
10 interests or organizations, international organizations in which  
11 the United States Government participates, or foreign gov-  
12 ernments, and (iii) whose conditions of employment provide  
13 for their return transportation to the continental United  
14 States or Hawaii, the Commonwealth of Puerto Rico, or  
15 the possessions of the United States, or (B) (i) who were  
16 at the time of employment temporarily absent, for the pur-  
17 pose of travel or formal study, from the continental United  
18 States, or from their respective places of residence in Hawaii,  
19 the Commonwealth of Puerto Rico, or the possessions of  
20 the United States and (ii) who, during such temporary  
21 absence, have maintained residence in the continental United  
22 States or in Hawaii, the Commonwealth of Puerto Rico, or  
23 the possessions of the United States but outside the area of  
24 employment.

25 “(3) Persons who are not normally residents of the

1 area concerned and who are discharged from service in the  
2 Armed Forces of the United States to accept employment  
3 with an agency of the Federal Government.

4 “(e) The leave granted pursuant to this title shall be  
5 exclusive of the time actually and necessarily occupied in  
6 going to and from the post of duty and exclusive of such  
7 time as may be necessarily occupied in awaiting transporta-  
8 tion, in the case of an officer or employee (1) who is within  
9 the purview of subsection (d) of this section, (2) whose  
10 post of duty is outside the continental United States, and (3)  
11 who returns on leave to the continental United States, or  
12 to his place of residence, which is outside the area of em-  
13 ployment, in Hawaii, the Commonwealth of Puerto Rico,  
14 or the possessions of the United States. The provisions of  
15 this subsection shall not apply to more than one period of  
16 leave in a prescribed tour of duty at a post outside the  
17 continental United States.

18 “(f) Upon completion of twenty-four months of con-  
19 tinuous service outside the continental United States, officers  
20 and employees may be granted, in accordance with regula-  
21 tions of the President, leave of absence at a rate not to exceed  
22 one week for each four months of such service without re-  
23 gard to any other leave provided by this title, for use in the  
24 continental United States, or, if their respective places of  
25 residence are outside the area of employment, in Hawaii,

1 the Commonwealth of Puerto Rico, or the possessions of  
2 the United States. Such leave so granted may be accumu-  
3 lated for future use without regard to the limitation in sub-  
4 section (d) of this section but no such leave shall be made  
5 the basis for any terminal leave or for any lump-sum pay-  
6 ment."

7 SEC. 402. (a) Section 202 (b) (2) of the Annual and  
8 Sick Leave Act of 1951, as amended (5 U.S.C. 2061 (b)  
9 (2) ), is amended to read as follows:

10 "(2) This title, except section 203 (g) , shall not apply  
11 to alien employees who occupy positions outside the con-  
12 tinental United States."

13 (b) Section 202 (c) (2) of such Act, as amended  
14 (5 U.S.C. 2061 (c) (2) ), is amended to read as follows:

15 "(2) The President, in his discretion, may authorize  
16 leaves of absence to persons who are exempted from this  
17 title pursuant to subsection (c) (1) (B) for use in the con-  
18 tinental United States and in Hawaii, the Commonwealth  
19 of Puerto Rico, and the possessions of the United States.  
20 Leaves of absence authorized under this paragraph shall not  
21 constitute a leave system and no such leave of absence shall  
22 be made the basis for any lump-sum payment."

1 (c) Section 202 of such Act, as amended (5 U.S.C.  
2 2061), is amended by adding at the end of such section  
3 the following new subsection:

4 “(d) As used in this title, the term ‘continental United  
5 States’ means the several States of the United States of  
6 America (including Alaska) and the District of Columbia.”

7 SEC. 403. The amendments made by this title to the  
8 Annual and Sick Leave Act of 1951, as amended, shall take  
9 effect on the first day of the first pay period following the  
10 date of enactment of this Act.

11 TITLE V—APPROPRIATION, REPEAL, AND  
12 MISCELLANEOUS PROVISIONS

13 PART A—APPROPRIATION PROVISIONS

14 SEC. 501. (a) There are hereby authorized to be ap-  
15 propriated such sums as may be necessary to carry out the  
16 purposes of this Act and the amendments made thereby.

17 (b) Appropriations or funds otherwise available, for  
18 the fiscal year ending June 30, 1960, to any department,  
19 agency, establishment or corporation of the Government of  
20 the United States of America within the purview of this  
21 Act or of any amendment made thereby are hereby made  
22 available for the purposes of this Act and of any such

1 amendment in accordance with the authority contained in  
2 this Act or contained in any law amended by this Act and  
3 in accordance with such regulations as the President may  
4 prescribe.

5 PART B—REPEAL PROVISIONS

6 SEC. 511. (a) The following provisions of law are  
7 repealed:

8 (1) That part of the Act entitled "An Act to provide  
9 living quarters, including heat, fuel, and light, for civilian  
10 officers and employees of the Government stationed in  
11 foreign countries", approved June 26, 1930 (46 Stat. 818;  
12 Public Law 445, Seventy-first Congress; 5 U.S.C. 118a),  
13 which reads "and, where such quarters are not available, may  
14 be granted an allowance for living quarters, including heat,  
15 fuel, and light, notwithstanding the provisions of section  
16 1765 of the Revised Statutes (U.S.C., title 5, sec. 70)";

17 (2) That part of the first proviso of such Act of June  
18 26, 1930, which reads "or allowances in lieu thereof"; and

19 (3) Sections 443, 901, 902, 903, and 911 (9) of the  
20 Foreign Service Act of 1946, as amended (60 Stat. 1006,  
21 1025, and 1026; 69 Stat. 27; 22 U.S.C. 888, 1131, 1132,  
22 1133, and 1136 (9) ); and

23 (4) Sections 2 (b), 13, and 14 of the Act entitled "An  
24 Act to provide certain basic authority for the Department  
25 of State", approved August 1, 1956 (70 Stat. 890, 892;

1 Public Law 885, Eighty-fourth Congress; 5 U.S.C. 170g (b),  
2 170r, and 170s).

3 (b) Any provision of law which is not repealed by sub-  
4 section (a) of this section but is inconsistent with any pro-  
5 vision of this Act or of any amendment made thereby shall  
6 be held and considered to be amended, modified, or super-  
7 seded to the extent necessary to carry out the purposes of  
8 and conform to such provision of this Act or of such amend-  
9 ment.

10 PART C—MISCELLANEOUS PROVISIONS

11 SEC. 521. The repeal, modification, amendment, or  
12 superseding, by reason of section 511 of this Act, of any  
13 provision of law shall not affect any act done or right ac-  
14 ruing or accrued, any liability, or any action, suit, or pro-  
15 ceeding had or commenced in any civil cause, before such  
16 repeal, modification, amendment, or superseding; but all  
17 such rights and liabilities, under any provision of law so  
18 repealed, modified, amended, or superseded, shall continue  
19 and may be enforced in the same manner as if such repeal,  
20 modification, amendment, or superseding had not occurred.

21 SEC. 522. Whenever reference is made in any other law  
22 or in any regulation to any provision of law which is re-  
23 pealed, modified, amended, or superseded by reason of sec-  
24 tion 511 of this Act, such reference, unless inconsistent  
25 with this Act, shall be held and considered to refer to this

1 Act or the appropriate provision of, or amendment made by,  
2 this Act.

3 SEC. 523. Notwithstanding any provision of this Act  
4 and until such time as regulations are issued under this Act,  
5 employees shall continue to be paid allowances and differen-  
6 tials in accordance with rules and regulations issued pursuant  
7 to the laws in effect immediately prior to the enactment of  
8 this Act and such rules and regulations may be amended or  
9 revoked in accordance with the provisions of such laws.

10 SEC. 524. Section 912 of the Internal Revenue Code  
11 of 1954 (relating to exemption for certain allowances) is  
12 amended to read as follows:

13 **"SEC. 912. EXEMPTIONS FOR CERTAIN ALLOWANCES.**

14 "The following items shall not be included in gross in-  
15 come, and shall be exempt from taxation under this subtitle:

16 "(1) FOREIGN AREAS ALLOWANCE.—In the case  
17 of civilian officers and employees of the United States  
18 Government, amounts received as allowances or other-  
19 wise (but not amounts received as differentials) under  
20 the provisions of titles II and III of the Overseas Dif-  
21 ferentials and Allowances Act or title IX of the Foreign  
22 Service Act of 1946, as amended.

23 "(2) COST-OF-LIVING ALLOWANCES.—In the case  
24 of civilian officers or employees of the Government of  
25 the United States stationed outside continental United

1 States, amounts (other than amounts received under the  
2 provisions of titles II and III of the Overseas Differen-  
3 tials and Allowances Act or title IX of the Foreign  
4 Service Act of 1946, as amended) received as cost-of-  
5 living allowances in accordance with regulations ap-  
6 proved by the President."